

SECRETARY OF LABOR
WASHINGTON, D.C. 20210

JUN 13 2012

The Honorable Kevin De Leon
Democratic Caucus Chair
California State Senate
State Capitol
Sacramento, CA 95814

Dear Senator De Leon: 

Thank you for your recent letters regarding your efforts in California to enact into state law the Golden State Retirement Savings Trust Act (Senate Bill 1234). I agree that every worker needs a safe way to save their earnings so that they can retire with economic security and dignity. The mission that I have set for the U.S. Department of Labor is focused on achieving *Good Jobs for Everyone*. My vision of a "good job" includes jobs that: increase workers' incomes and narrow wage and income inequality; assure workers are paid their wages and overtime; are in safe and healthy workplaces, and fair and diverse workplaces; provide workplace flexibility for family and personal care-giving; improve health benefits and retirement security for all workers; and assure workers have a voice in the workplace.

I applaud your work toward those goals in California. As you know, retirement plans covering private sector workers are regulated under federal pension laws, including the provisions of Title I of the Employee Retirement Income Security Act of 1974 (ERISA), which are administered by the Department of Labor. Congress enacted ERISA to establish uniform federal standards to protect private employee pension plans from fraud and mismanagement. As part of that objective, ERISA includes a general preemption provision that says, subject to certain exceptions, ERISA preempts "... any and all State laws insofar as they may now or hereafter relate to any employee benefit plan" ERISA preemption questions can be difficult and complicated, and, accordingly, I appreciate your having reached out to my staff in the Department of Labor's Employee Benefits Security Administration to discuss your proposed state legislation. I encourage you to continue those discussions.

Thank you again for your recent letters.

Sincerely,



HILDA L. SOLIS
Secretary of Labor